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Magalie Roman Salas
Secretary
Federal Communications Commission
445 12th Street, S.W. TW-A325
Washington, DC 20554

Tel: 407-740-8575
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RE: National Brands, Inc. d/b/a Sharenet Communications Company
Petition for Extension of Waiver in CC Docket 92-77

Dear Secretary Salas:

Enclosed for filing with the Commission on behalf of National Brands, Inc. d/b/a Sharenet Communications Company is an original and four (4) copies of the PETITION OF SHARENET COMMUNICATIONS FOR EXTENSION OF WAIVER in CC Docket 92-77.

To confirm the Commission's receipt of this Petition, kindly date-stamp the enclosed extra copy of this cover letter and return it to me in the self-addressed, stamped envelop provided.

Should you have any questions concerning this request, kindly address them to the undersigned or to Gary Joseph, Vice President of Sharenet, at 4633 W. Polk Street, Phoenix, AZ 85043, telephone number 602- 269-3201.

Very truly yours,

Amy S. Gross
Consultant for
National Brands, Inc., d/b/a/Sharenet Communications Company

cc: Gary Joseph

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Inside envelopes for:

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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

| | | |
|-----------------------------|---|---------------------|
| In the Matter of |) | |
| |) | CC Docket No. 92-77 |
| Billed party Preference for |) | |
| InterLATA 0+ calls |) | |

Petition of Sharenet Communications For Extension of Waiver

Pursuant to Section 1.3 of the Commission's Rules, 47 C.F. R. § 1.3, National Brands, Inc. d/b/a Sharenet Communications Company ("Sharenet") hereby requests a further extension of its waiver of the July 1, 1998 implementation date of Section 63.703(a)(4) of the Commission's rules relating to the availability of on-demand rate quotes for 0+ calls placed from aggregator locations.¹

As indicated to staff in recent telephone conversations, the on-demand rate quote product delivered by Sharenet's switch vendor, Harris Digital Telephone Systems, was not satisfactory. Sharenet identified the changes it requires and requested a firm proposal from Harris. Harris' response was received on August 18, 1999 and accepted by Sharenet. Harris has committed to delivery of the revised software within 45 days of Sharenet's firm order. That order was placed on August 23, 1999 and delivery is expected by October 8, 1999. Sharenet estimates that it will then need two to four weeks to test the product across its network. Thus, it believes that it should be able to have the system fully deployed and operational on or before November 8, 1999 .

Of course, this time line is dependent upon Harris's delivery of the promised product on the promised date. If there is a delay in Harris' commitment date, or if the product still does not

¹ The rules were adopted in the Commission's Second Report and Order on Reconsideration (the "Order"), FCC 98-9, released January 29, 1998.

perform, Sharenet will promptly inform the Commission.

I. Introduction and Background

The Order required that all operator service providers ("OSPs") offer customers the option of obtaining a rate quote prior to completing their call by dialing no more than two digits. Order at ¶ 17. However, the Commission recognized that some OSPs, particularly those using store and forward technology would need additional time to comply. Accordingly, it indicated that it was prepared to consider waiver requests on specific factual showing of good cause. Order at ¶27.

On June 17, 1998, Sharenet filed a request for waiver of the July 1, 1998 compliance date. On June 30, 1998, the Commission granted, in part, Sharenet's request, establishing November 1, 1998 as the date by which it must comply with the on-demand disclosure rule. The Commission also granted a separate compliance date of January 1, 1999 for collect and inmate calls.

On October 28, 1998, Sharenet notified the Commission that, although it had worked diligently to purchase, install, test and deploy the software necessary to provide on demand rate disclosure, it would not be able to provide real-time rate quotes by November 1, 1998. A further extension was requested. No formal action was taken on Sharenet's petition.

Sharenet obtained the necessary switch upgrade from its vendor, Harris Digital Telephone Systems in December 1998. However, the product Harris delivered was not satisfactory and, in Sharenet's opinion, does not satisfy the intent of the FCC's rules. After negotiation, Harris has committed to delivery of revised software within 45 days of Sharenet's firm order, or by October 8, 1999. Sharenet estimates that it will then need two to four weeks to test the product across its network. Thus, it believes that it should be able to have the system fully deployed and operational

on or before November 8, 1999 .

II. Good Cause Exists for Extension of the Waiver

Sharenet is a small operator services provider located in Phoenix, Arizona. It provides service in fifteen states nationwide (AZ, CA, CO, ID, KY, MI, MN, MT, NM, NJ, NV, OH, TX, UT, WY) , but primarily in Arizona. Sharenet serves approximately 20,000 aggregator ANIs throughout the United States. In 1998, Sharenet's records show it received only a handful of interstate consumer complaints concerning its operator services, equating to .00095% of its total interstate traffic.

Given the small number of locations involved and Sharenet's low incidence of the types of complaints which precipitated the Commission's action in the Order, Sharenet believes that a grant of the instant request would not harm consumers and is in the public interest.

In the Order, the FCC expressly stated that it was unlikely that all calls would entail costs associated with the intervention of a live operator.² This is because carriers are allowed to continue with call set up while the announcement is played and to require affirmative action in order to receive a rate quote. Callers are free to bypass their right to receive a rate quote by entering their calling information and having their call automatically completed. (Id.) The Commission never contemplated that the caller would be required to take affirmative action to simply **complete** the call. However, this is exactly what the Harris system requires.

Unless customers press "2", their call will not be completed automatically. Instead, they will be transferred to a live operator who has no way of knowing that the call arrived at his or her station because the customer defaulted out of the rate quote platform. To the operator, the call is

² Order at ¶17.

the same as any other 0- call. This can also frustrate the caller who has just entered all the call information and now must repeat it to the operator. Most importantly, since there is no way to flag this call, the customer will be charged for a live operator call instead of the automated call that he tried to place.

While other OSPs may use the same Harris switch, to the best of Sharenet's knowledge all of these other carriers have their own operator center. Thus, they may have internal systems which allow them to flag the call as having originated as an automated call, thus ensuring proper rating. However, Sharenet does not have its own live operator center. It purchases live operator services on a per transaction basis from an unaffiliated third party vendor.³ Thus calls which "default" due to the configuration of the Harris switch upgrade are routed to the vendor and are subject to the limitations of the current network arrangements between the parties. Under those arrangements, there is no way for the vendor to return the call to Sharenet's network for automated completion once it is determined that the caller wanted automatic completion of his call and not a rate quote. Nor is there a way for vendor to complete the call but flag the raw call record to indicate that it should be charged as an automated call.⁴

Accordingly, if Sharenet were to implement the technology "as is", a significant number of customers may be charged for live operator assisted calls when they actually dialed all the digits necessary to complete the calls on an automated basis. Since automated calls constitute

³ This relationship is subject to a written contract. The third party vendor provides the appropriate live operator treatment and then completes the call over its own network facilities. The raw call records are then sent to Sharenet for rating and billing using its own systems and billing arrangements. Sharenet is billed on a per transaction basis for the live operator treatment.

⁴ While it may be possible that these arrangements could be changed over time, they certainly could not be completed as promptly as the revised Harris upgrade.

approximately 60% of Sharenet's traffic, if only 50% of the callers failed to press 2 and were diverted to the live operator due to the system's shortcoming, Sharenet would in effect be overcharging on 30% of its traffic. For this reason alone, Sharenet believes it is not in the public interest to implement the switch upgrade until the problem is corrected.

III. No Harm Will Result from The Requested Waiver Extension

As set forth above, Section 1.3 of the Commission's rules provides for a waiver upon a showing of good cause and the Commission specifically anticipated in the Order that waivers may be necessary. The Commission has already recognized that good cause exists in the case of Sharenet.

The facts set forth above demonstrate the special circumstances which support the relief requested herein and demonstrate that good cause for waiver continues to exist. Sharenet is a small operator services provider who has not been the subject of a significant number of complaints. Given the small number of locations involved and Sharenet's low incidence of the types of complaints which precipitated the Commission's action in the Order, Sharenet believes that an extension of its waiver until the revised technology can be successfully deployed would not harm consumers and is in the public interest.⁵ Sharenet believes that the public interest is better served by taking the additional time to deploy the user-friendly system contemplated by the Commission rather than the current Harris system which is not only confusing, but which will surely result in customers being charged for a more expensive call than the one they tried to place.

Sharenet is committed to implementing the technology by November 8, 1999. Should

⁵ Importantly, consumers will still be able to request and obtain a free rate quote before completing their calls and all phones will continue to be branded and posted with the required consumer information in accordance with Section 64.703 of the Commission's rules.

there be a delay in delivery by Harris, or if the product still does not perform, Sharenet will notify the Commission and inform it of the anticipated implementation date.

For the reasons set forth above, Sharenet requests that the Commission grant its request for a further extension of time within which to comply with the Commissions' requirement to provide on demand rate disclosure for operator assisted calls..

Respectfully submitted,

NATIONAL BRANDS, INC.
D/B/A SHARENET COMMUNICATIONS COMPANY

By: 
Its Vice President

4633 W. Polk St.
Phoenix, Arizona 85043
602-269-3201

Dated: August 27, 1999

VERIFICATION

Gary Joseph, being duly sworn, states as follows:

1. ***I am the Vice President of National Brands, Inc. d/b/a/ Sharenet Communications Company, whose address is 4633 W. Polk Street, Phoenix, Arizona 85043.***

2. ***I am authorized to represent National Brands, Inc. d/b/a Sharenet Communications Company and to make this Affidavit on its behalf.***

3. ***I have read the foregoing "Petition of Sharenet Communications For Extension of Waiver". The statements contained therein are true of my own knowledge, except as to matters which are therein stated on information and belief, and as to those matters, I believe them to be true.***

4. **I declare under penalty of perjury that the foregoing is true and correct.**

Further affiant sayeth not.

By: _____

Name: Gary Joseph

Title: Vice President

Date: August 27, 1999

Subscribed and sworn to before
me this 27th day of Aug, 1999

Notary Public

My commission expires: June 17, 2003

